

Testimony of the Curtin Transportation Group
Before the Insurance & Real Estate Committee

March 2, 2017

House Bill 7126 An Act Concerning Transportation Network Companies

Good Afternoon. My name is Joe Miller and I am the General Manager of the Curtin Transportation Group. Additionally, I am a retired State Police Officer. The Curtin Transportation Group is a third generation company that has provided livery service throughout Connecticut and taxi service to New London County and the greater Waterbury area since 1918.

I am here to testify on **HB 7126** in an effort to allow taxi and livery companies to compete with a transportation model that is currently operating outside of the laws and regulation of the State of Connecticut. I hope that changes can be made to **HB 7126** so that small business taxi and livery companies, such as ours, can continue to operate, employ drivers and staff, and contribute to the Connecticut economy.

Last year our company paid over \$532,000 in fees and taxes to the State of Connecticut and the municipalities in which we are located. In addition we paid \$5.5 million in payroll to our employees.

HB 7126 as written gives an unfair competitive advantage to Transportation Network Companies. It states that a TNC driver shall not be required to register their vehicle as a commercial vehicle. With the 9,000 plus TNC drivers currently driving in Connecticut, this is a loss of 1.3 million dollars bi-annually. CGS 14-1 Definition 17 Commercial registration outlines the type of registration required when transporting persons in connection with a business enterprise. Does anyone believe that a TNC business enterprise doesn't make money from transporting persons? Curtin and the TNCs all are involved in transporting persons in connection with a business enterprise.

Our taxi and livery companies could reduce our operating costs by not paying commercial registration fees. Other small businesses such as plumbers, carpenters, and other entrepreneurs are also required to pay this fee when engaged in commercial activity.

We believe that TNCs should be required to operate with the same safety standards as the taxi and livery industry. Our taxicabs were recently spot inspected by DMV at the New London train station. Even though our taxis passed the inspections, we were unable to pick up passengers while on a jack. TNC drivers, doing the same for hire transportation services were free to come and go without inspection to see if their vehicles were in safe mechanical condition. This resulted in phone calls to our office inquiring why our vehicles were unsafe.

We believe that the State of Connecticut has an interest in the safety of the passengers utilizing TNC vehicles? "Deb" who is an actual TNC driver has cut back on her hours because she can't keep up with the increased maintenance and repairs to her vehicle with the additional miles she is driving, an indication that her vehicle may not be in the best mechanical condition. While we wouldn't relieve ourselves of this standard, this is a standard imposed by the State to ensure the safety of passengers using for hire transportation services.

This bill would require the TNCs to notify their drivers of their policy of nondiscrimination. This is law, not a policy. In violation of our company policy and the law, one of our drivers refused to transport a person with a service animal. We immediately let the driver go. Then we attended a DOT hearing and paid a fine to the state because we are a regulated industry, and were deemed to have violated a DOT

regulation. No TNC in Connecticut would have to pay such a fine. Another unfair advantage enjoyed by the TNCs if this bill passes in its current form.

We believe that fingerprint based background checks and medical cards are the best way to ensure that a transportation for hire driver can safely be placed in a vehicle to transport passengers. Based on a combination of names and dates of birth similar to theirs, someone who has been arrested could either through a typo or an attempt to hide their true identity and an arrest record. But they could be identified despite the common thread of the various names and dates of birth, if they had to be fingerprinted. A background check based on the information provided by a driver applicant does not check for these aliases. Neither the name and date of birth background check or the fingerprint based background check will predict future behavior. But a check that gathers all of the arrest records based on the common thread, the fingerprint, will let the state know who is suitable to drive a transportation for hire vehicle.

We have had 2 drivers this past year leave our company because they could not meet the state safety standards that sets the medical standards for drivers. They then drove for a TNC as there is no such safety requirement.

In order to level the playing field, taxi companies should be able to implement dynamic pricing. We have repeatedly asked DOT for the ability to offer discounts to seniors and for special events, with our requests being denied. By allowing us to engage in dynamic pricing we can offer discounts and provide competition which would benefit the consumer by offering a choice between each company's dynamic price points. Unless HB 7126 is amended we cannot offer either competitive discounts or increase rates for high-end events like concerts.

TNCs operating in Connecticut have done so without showing that there is a need or necessity for additional transportation for hire vehicles. Entrepreneurs wishing to start a taxi or livery company have to show a need or necessity to start a company. HB 7126 as currently written requires that the owner of a taxi or livery company wishing to start a TNC would have to show DOT the need and necessity for the additional vehicles operating in the transportation for hire market. None of the TNCs or TNC drivers operating in Connecticut approached DOT to show a need or necessity for the additional transportation for hire vehicles. If TNCs are not required to operate within the current transportation for hire regulations, and taxi and livery companies need to show need and necessity to start a TNC, this creates another unfair advantage for the TNCs if this bill passes in its current form. HB 7126 has to be amended to remove anti-competitive provisions.

We believe **that HB 7126** must be amended in a way that allows TNCs to operate in a way that both protects the public and allows small businesses like the Curtin Transportation Group to compete and continue to contribute to our Economy. Please do not allow **HB 7126** to create a two-tiered system of regulation that grants the TNCs a competitive advantage. Please give us a chance to compete and survive.

A company that provides the same service as companies regulated by the State of Connecticut should not be able to dictate driver standards, vehicle requirements, rates of fares, or impose restrictions on competition. **HB 7126** must be amended after taking these items into consideration. Please create a level playing field that identifies the basic fact that whether you are a taxi company, a livery company, or a TNC, there should not be 2 sets of rules for providing the same service-transporting people from point A to point B for a fee.

This completes my testimony. Thank you for your consideration.